

House Engrossed Senate Bill

FILED

**MICHELE REAGAN
SECRETARY OF STATE**

State of Arizona
Senate
Fifty-third Legislature
First Regular Session
2017

**CHAPTER 208
SENATE BILL 1480**

AN ACT

AMENDING SECTIONS 48-701, 48-702, 48-704, 48-708, 48-711 AND 48-715, ARIZONA REVISED STATUTES; AMENDING TITLE 48, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 48-726, 48-727 AND 48-728; RELATING TO COMMUNITY FACILITIES DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 48-701, Arizona Revised Statutes, is amended to read:

48-701. Definitions

In this article, unless the context otherwise requires:

1. "Clerk" includes any person or official who performs the duties of clerk of the municipality or county or any person appointed by the district board to be the district clerk pursuant to section 48-711, ~~subsection D.~~

2. "County" means a county that forms a community facilities district pursuant to this article in an unincorporated area or in an incorporated area with the municipality's consent.

3. "Debt service" means the principal of, interest on and premium, if any, on the bonds, when due, whether at maturity or prior redemption and fees and costs of registrars, trustees, paying agents or other agents necessary to handle the bonds and the costs of credit enhancement or liquidity support.

4. "District" means a tax levying community facilities district formed pursuant to this article by a municipality or formed pursuant to this article by a county in an unincorporated area or in an incorporated area with the municipality's consent.

5. "District board" means the board of directors of the district. ~~, which shall be comprised of the members of the governing body of the municipality or county, ex officio, or, at the option of the governing body, five directors appointed by the governing body under this article.~~

6. "Enhanced municipal services" means public service provided by a county or municipality within the district at a higher level or to a greater degree than provided in the remainder of the county or municipality, including such services as public safety, fire protection, street or sidewalk cleaning or landscape maintenance in public areas.

7. "ENTITY" MEANS ANY OF THE FOLLOWING:

(a) A CORPORATION.

(b) A GENERAL PARTNERSHIP, INCLUDING A GENERAL PARTNERSHIP THAT IS REGISTERED AS A LIMITED LIABILITY PARTNERSHIP.

(c) A LIMITED PARTNERSHIP, INCLUDING A LIMITED PARTNERSHIP THAT IS REGISTERED AS A LIMITED LIABILITY PARTNERSHIP.

(d) A LIMITED LIABILITY COMPANY, INCLUDING A PROFESSIONAL LIMITED LIABILITY COMPANY.

(e) A BUSINESS TRUST, STATUTORY TRUST ENTITY OR SIMILAR TRUST.

(f) AN UNINCORPORATED ASSOCIATION.

(g) A COOPERATIVE.

(h) ANY OTHER PERSON THAT HAS A SEPARATE LEGAL EXISTENCE OR HAS THE POWER TO ACQUIRE AN INTEREST IN REAL PROPERTY IN ITS OWN NAME OTHER THAN ANY OF THE FOLLOWING:

(i) AN INDIVIDUAL.

1 (ii) A TESTAMENTARY, INTER VIVOS OR CHARITABLE TRUST, WITH THE
2 EXCEPTION OF A BUSINESS TRUST, STATUTORY TRUST ENTITY OR SIMILAR TRUST.

3 (iii) A DECEDENT'S ESTATE.

4 (iv) A GOVERNMENT, A GOVERNMENTAL OR POLITICAL SUBDIVISION, A
5 GOVERNMENTAL AGENCY OR ENTITY OR A MUNICIPAL CORPORATION.

6 ~~7.~~ 8. "General obligation bond" means a bond that is issued
7 pursuant to section 48-719 and that is secured by a pledge of ad valorem
8 taxes levied by the district.

9 ~~8.~~ 9. "General plan" means the general plan described in section
10 48-702, subsection ~~B~~ D, as the plan may be amended.

11 ~~9.~~ 10. "Governing body" means the body or board ~~which~~ THAT by law
12 is constituted as the legislative department of the municipality or
13 county.

14 ~~10.~~ 11. "Municipality" means an incorporated city or town.

15 ~~11.~~ 12. "Owner" means the person ~~who~~ OR ENTITY THAT, on the day
16 the action, election or proceeding is begun or held, appears to be the
17 owner of real property as shown on the property tax assessment roll.

18 ~~12.~~ 13. "Public infrastructure" means all improvements listed in
19 this paragraph that will result in a beneficial use principally to land
20 within the geographical limits of the district and may include a
21 district's share of any improvements listed in this paragraph if the
22 district board determines such share is proportionate to the beneficial
23 use of such improvements to land within the geographical limits of the
24 district, improvements within or outside the geographical limits of the
25 district, necessary or incidental work, whether newly constructed,
26 renovated or existing, and all necessary or desirable appurtenances. For
27 the purposes of this paragraph, adoption by the district board of a
28 resolution of intent pursuant to section 48-715 shall conclusively
29 establish that the improvements or, if applicable, share of the
30 improvements that are the subject of the resolution will result in a
31 beneficial use principally to land within the geographical limits of the
32 district. Public infrastructure improvements are:

33 (a) Sanitary sewage systems, including collection, transport,
34 storage, treatment, dispersal, effluent use and discharge.

35 (b) Drainage and flood control systems, including collection,
36 transport, diversion, storage, detention, retention, dispersal, use and
37 discharge.

38 (c) Water systems for domestic, industrial, irrigation, municipal
39 or fire protection purposes, including production, collection, storage,
40 treatment, transport, delivery, connection and dispersal, but not
41 including facilities for agricultural irrigation purposes unless for the
42 repair or replacement of existing facilities when required by other
43 improvements permitted by this article.

44 (d) Highways, streets, roadways and parking facilities, including
45 all areas for vehicular use for travel, ingress, egress and parking.

1 (e) Areas for pedestrian, equestrian, bicycle or other nonmotor
2 vehicle use for travel, ingress, egress and parking.

3 (f) Pedestrian malls, parks, recreational facilities other than
4 stadiums, and open space areas for the use of members of the public for
5 entertainment, assembly and recreation.

6 (g) Landscaping, including earthworks, structures, lakes and other
7 water features, plants, trees and related water delivery systems.

8 (h) Public buildings, public safety facilities and fire protection
9 facilities.

10 (i) Lighting systems.

11 (j) Traffic control systems and devices, including signals,
12 controls, markings and signage.

13 (k) Equipment, vehicles, furnishings and other personalty related
14 to the items listed in this paragraph.

15 ~~13.~~ 14. "Public infrastructure purpose" means:

16 (a) Planning, design, engineering, construction, acquisition or
17 installation of public infrastructure.

18 (b) Acquiring, converting, renovating or improving existing
19 facilities for public infrastructure.

20 (c) Acquiring interests in real property for public infrastructure.

21 (d) Establishing, maintaining and replenishing reserves from any
22 source described in section 48-717 or from any other source in order to
23 secure payment of debt service on bonds.

24 (e) Notwithstanding section 48-589, funding and paying from bond
25 proceeds interest accruing on bonds for a period of not to exceed three
26 years from their date of issuance.

27 (f) Providing for the timely payment of debt service on bonds or
28 other indebtedness of the district.

29 (g) Refinancing any matured or unmatured bonds with new bonds.

30 (h) Incurring expenses of the district incident to and reasonably
31 necessary to carry out the purposes specified in this paragraph.

32 ~~14.~~ 15. "Revenue bonds" means those bonds that are issued pursuant
33 to section 48-720 and that are secured by a pledge of revenues of the
34 district or revenues collected by the county or municipality and returned
35 to the district.

36 ~~15.~~ 16. "Treasurer" includes any person or official who performs
37 the duties of treasurer of the municipality or county or any person
38 appointed by the district board as the district treasurer pursuant to
39 section 48-711, ~~subsection D.~~

40 Sec. 2. Section 48-702, Arizona Revised Statutes, is amended to
41 read:

42 48-702. Resolution declaring intention to form district

43 A. If the public convenience and necessity require, and on
44 presentation of a petition signed by the owners of at least twenty-five
45 ~~per cent~~ PERCENT of the land area proposed to be included in the district,

1 the governing body may adopt a resolution declaring its intention to form
2 a community facilities district ~~to~~ THAT SHALL include contiguous or
3 noncontiguous property ~~which shall be~~ THAT IS wholly within the corporate
4 boundaries of the municipality or county.

5 B. ON PRESENTATION OF A PETITION SIGNED BY THE OWNERS OF AT LEAST
6 TWENTY-FIVE PERCENT OF THE LAND AREA PROPOSED TO BE INCLUDED IN THE
7 DISTRICT AND A COMPLETED APPLICATION FOR FORMATION OF A DISTRICT BY AN
8 INDIVIDUAL OR ENTITY, THE GOVERNING BODY OF A MUNICIPALITY OR COUNTY
9 WITHIN SIXTY DAYS AFTER SUBMISSION OF THE COMPLETED APPLICATION SHALL HOLD
10 A PUBLIC HEARING TO CONSIDER THE APPLICATION FOR FORMATION OF THE
11 DISTRICT. IMMEDIATELY AFTER COMPLETION OF THE HEARING, THE GOVERNING BODY
12 MAY ADOPT A RESOLUTION DECLARING ITS INTENTION TO FORM A COMMUNITY
13 FACILITIES DISTRICT THAT SHALL INCLUDE CONTIGUOUS OR NONCONTIGUOUS
14 PROPERTY THAT IS WHOLLY WITHIN THE CORPORATE BOUNDARIES OF THE
15 MUNICIPALITY OR COUNTY. IF THE GOVERNING BODY DOES NOT ADOPT A RESOLUTION
16 DECLARING ITS INTENTION TO FORM A DISTRICT, THE GOVERNING BODY SHALL
17 PROVIDE A WRITTEN BASIS FOR NOT ADOPTING THE RESOLUTION AND SHALL IDENTIFY
18 THE SPECIFIC CHANGES NEEDED FOR THE APPLICATION TO BE APPROVED. THIS
19 SUBSECTION DOES NOT CREATE A PRESUMPTION OF DISTRICT FORMATION.

20 C. The resolution ADOPTED BY THE GOVERNING BODY shall state the
21 following:

- 22 1. The area or areas to be included in the district.
- 23 2. The purposes for which the district is to be formed.
- 24 3. That a general plan for the district is on file with the clerk.
- 25 4. The date, time and place of the hearing to be held on the
26 formation of the district.
- 27 5. The place where written objections to the formation of the
28 district may be filed.
- 29 6. That formation of the district may result in the levy of taxes
30 to pay the costs of improvements constructed by the district and for their
31 operation and maintenance.
- 32 7. A reference to this article.
- 33 8. Whether the district will be governed by a district board
34 ~~comprised~~ THAT CONSISTS of the members of the governing body, ex officio,
35 WITH TWO ADDITIONAL MEMBERS WHO ARE DESIGNATED BY THE OWNER WHO OWNS THE
36 LARGEST AMOUNT OF PRIVATELY OWNED ACREAGE IN THE PROPOSED DISTRICT AND WHO
37 ARE APPOINTED BY THE GOVERNING BODY, or, at the option of the governing
38 body ~~and if the total area to be included in the district is larger than~~
39 ~~six hundred acres~~, five directors appointed by the governing body. THE
40 APPLICANT FOR FORMATION OF THE DISTRICT SHALL PROVIDE IN THE APPLICATION A
41 PROCESS FOR THE DESIGNATION OF THE TWO ADDITIONAL DISTRICT BOARD MEMBERS,
42 IF APPLICABLE, ON COMPLETION OF THE DEVELOPMENT OF ALL OF THE PROPERTY IN
43 THE DISTRICT.

44 ~~B. Before adopting a resolution under this section, a general plan~~
45 ~~for the district shall be filed with the clerk setting out a general~~

~~description of the public infrastructure improvements for which the district is proposed to be formed and the general areas to be improved.~~

D. A COMPLETED APPLICATION SHALL INCLUDE AT LEAST THE FOLLOWING INFORMATION:

1. A PETITION SIGNED BY THE OWNERS OF AT LEAST TWENTY-FIVE PERCENT OF THE LAND TO BE INCLUDED IN THE DISTRICT.

2. A DESCRIPTION OF THE APPLICANT, INCLUDING THE CORPORATE AND ORGANIZATIONAL STRUCTURE OF THE ENTITY OR INDIVIDUAL MAKING THE APPLICATION, THE NAMES OF ALL OFFICERS AND CORPORATE DIRECTORS DIRECTLY RELATED TO OR ASSOCIATED WITH THE PROPOSED DISTRICT, THE NAME, ADDRESS AND TELEPHONE NUMBER OF THE PRIMARY CONTACT FOR THE APPLICANT, THE NAMES OF ANY LEGAL REPRESENTATIVES, ENGINEERS, ARCHITECTS, FINANCIAL CONSULTANTS OR OTHER CONSULTANTS SIGNIFICANTLY INVOLVED IN THE APPLICATION AND A GENERAL DESCRIPTION OF THE APPLICANT'S EXPERIENCE WITH SIMILAR TYPES OF DEVELOPMENTS.

3. A GENERAL PLAN SETTING OUT A GENERAL DESCRIPTION OF THE PUBLIC INFRASTRUCTURE FOR WHICH THE DISTRICT IS PROPOSED TO BE FORMED, THE GENERAL AREAS TO BE IMPROVED AND THE ESTIMATED COSTS OF CONSTRUCTION OR ACQUISITION OF THE PUBLIC INFRASTRUCTURE TO BE FINANCED, CONSTRUCTED OR ACQUIRED BY THE DISTRICT.

4. A PRELIMINARY FINANCING PLAN THAT INCLUDES THE SOURCES AND USES OF MONIES FOR THE PUBLIC IMPROVEMENTS.

E. IN REVIEWING AN APPLICATION FOR FORMATION OF A DISTRICT IN A COUNTY, THE GOVERNING BODY OF THE COUNTY MAY CONSIDER THE DISTRICT'S PROXIMITY TO A CITY OR TOWN, ITS INCLUSION IN A METROPOLITAN PLANNING AREA OR COUNTY GROWTH AREA, THE AVAILABILITY AND CAPACITY OF UTILITIES AND PUBLIC INFRASTRUCTURE, INCLUDING THE TRANSPORTATION NETWORK, LAW ENFORCEMENT SERVICES, CURRENT LEVELS OF OTHER PUBLIC SERVICES AND THE TERMS OF EXISTING ZONING, DEVELOPMENT AGREEMENTS AND CAPITAL IMPROVEMENT PLANS.

Sec. 3. Section 48-704, Arizona Revised Statutes, is amended to read:

48-704. Hearing on objections

A. WITHIN THIRTY DAYS AFTER ADOPTION OF THE RESOLUTION OF INTENT TO FORM A DISTRICT, any person claiming an interest in real property ~~which~~ THAT the resolution discloses is situated in the district may file a written objection with the clerk before 5:00 p.m. on the business day preceding the date and time set for the hearing ON THE QUESTION OF FORMATION OF THE DISTRICT. The objection may raise one or more of the following:

1. That the objector's property would not be benefited from the improvements set forth in the general plan and that the property should be excluded from the district.

2. That the district should not be formed, stating the specific reasons.

1 3. That the general plan should be modified, stating the reasons
2 for modification.

3 B. At the hearing, including any adjournments or continuances, the
4 governing body shall hear and pass only on the written objections and the
5 testimony and evidence presented in support of or opposition to the
6 objections. The hearing shall be either transcribed by a court reporter
7 or recorded by a tape recorder. The court reporter's transcript or a
8 transcription of the tape recording certified to be true and correct by
9 the clerk shall be filed in the official records of the governing body.

10 C. In furtherance of the hearing, the clerk, on written request or
11 praecipe being presented, shall issue subpoenas or subpoenas duces tecum
12 to compel the attendance and testimony of any person or the submission of
13 any documents at the hearing. Compliance with the subpoena shall be
14 enforced as if the subpoena were issued by a clerk of the superior court.

15 D. Testimony at the hearing need not be under oath, unless
16 requested by any owner or required by the governing board. Requests by
17 owners that the testimony be under oath must be made in writing and be
18 filed with, or served on, the clerk before the hearing begins or the
19 request is deemed waived.

20 E. The minutes or a copy of a written transcript or a tape
21 recording of the proceedings of a hearing conducted pursuant to this
22 section shall be open to public inspection three working days after the
23 conclusion of a hearing. Any person may request to examine or be
24 furnished copies, printouts, photographs, transcripts or recordings of a
25 hearing during regular office hours of the governing body. The custodian
26 of the records shall furnish the copies, printouts, photographs,
27 transcripts or recordings and may charge a reasonable fee ~~which~~ THAT does
28 not exceed the actual cost of reproducing the item requested.

29 Sec. 4. Section 48-708, Arizona Revised Statutes, is amended to
30 read:

31 48-708. Formation; debt limitation; disclosure

32 A. If the formation of the district is approved by a majority of
33 the votes cast at the election, the governing body shall order the
34 formation, appoint the initial directors of the district board if the
35 district will be governed by an appointed board, set the district
36 boundaries and order that a map showing the district boundaries be drawn
37 and a copy of the order forming the district be delivered to the county
38 assessor and the board of supervisors of the county in which the district
39 is located and to the department of revenue. A notice of the formation
40 showing the number and date of the order and giving a description of the
41 land included in the district shall be recorded with the county recorder.

42 B. On its formation, the district is a special purpose district for
43 purposes of article IX, section 19, Constitution of Arizona, a tax levying
44 public improvement district for the purposes of article XIII, section 7,
45 Constitution of Arizona, and a municipal corporation for all purposes of

1 title 35, chapter 3, articles 3, 3.1, 3.2, 4 and 5. A district that
2 distributes or sells groundwater is a private water company only for
3 purposes of title 45, chapters 2 and 3.1. Except as otherwise provided in
4 this section, a district is considered to be a municipal corporation and
5 political subdivision of this state, separate and apart from the
6 municipality or county. Under no circumstances may the amount of
7 indebtedness evidenced by general obligation bonds issued pursuant to
8 section 48-719 and revenue bonds issued pursuant to section 48-720 exceed
9 the estimated cost of the public infrastructure improvements plus all
10 costs connected with the public infrastructure purposes and issuance and
11 sale of bonds, including, without limitation, credit enhancement and
12 liquidity support fees and costs. The total aggregate outstanding amount
13 of bonds and any other indebtedness for which the full faith and credit of
14 the district are pledged shall not exceed sixty ~~per cent~~ PERCENT of the
15 aggregate of the estimated market value of the real property and
16 improvements in the district after the public infrastructure of the
17 district is completed plus the value of the public infrastructure owned or
18 to be acquired by the district with the proceeds of the bonds.

19 C. On formation of the district, the district board shall
20 ~~administer, in a reasonable manner, the implementation of MAKE A GOOD~~
21 FAITH EFFORT TO IMPLEMENT the general plan for the public infrastructure
22 of the district and any development agreement entered into pursuant to
23 section 9-500.05 between the governing body and owners of land in the
24 district. The district board shall be considered a party to that
25 agreement.

26 D. FOR DISTRICTS APPROVED AFTER THE EFFECTIVE DATE OF THIS
27 AMENDMENT TO THIS SECTION, THE DISTRICT BOARD SHALL REQUIRE THAT A SELLER
28 OF A PROPERTY IN THE DISTRICT WHO IS OTHERWISE REQUIRED TO OBTAIN A
29 SUBDIVISION PUBLIC REPORT AS PRESCRIBED BY SECTION 32-2183 DISCLOSE TO A
30 PROSPECTIVE PURCHASER THE EXISTENCE OF THE DISTRICT, THE PURPOSE FOR WHICH
31 THE DISTRICT WAS FORMED AS SET FORTH IN THE RESOLUTION ADOPTED BY THE
32 GOVERNING BODY, THE ESTIMATED TAX RATE AND THE ESTIMATED ANNUAL TAX AMOUNT
33 THAT IS BASED ON APPLYING THAT TAX RATE TO A HYPOTHETICAL RESIDENTIAL
34 PROPERTY VALUE.

35 ~~D.~~ E. Fees and other charges assessed by a municipality or county
36 in connection with the submission and consideration of an application ~~or~~
37 ~~petition~~ to form a district, ~~or~~ SHALL NOT EXCEED FIFTEEN THOUSAND DOLLARS.
38 IF AN APPLICATION IS DENIED BY THE GOVERNING BODY, THE MUNICIPALITY OR
39 COUNTY MAY NOT ASSESS A FEE OR OTHER CHARGE IN CONNECTION WITH THE
40 SUBMISSION AND CONSIDERATION OF A SUBSTANTIALLY SIMILAR APPLICATION THAT
41 IS SUBMITTED WITHIN ONE YEAR FOLLOWING THE DENIAL. FEES AND OTHER CHARGES
42 ASSESSED by a municipality, county or district in connection with the
43 administration of a district, including the issuance and sale of bonds,
44 shall not exceed the ~~estimated~~ actual expense incurred by the
45 municipality, county or district for staff and consultant services and

1 support facilities supplied by the municipality, county or district or the
2 financial, legal and administrative costs of the district that are not
3 reimbursed from proceeds of the bonds or other district revenue. ANY FEES
4 OR OTHER CHARGES PAID BY THE APPLICANT BEFORE FORMATION OF THE DISTRICT
5 THAT EXCEED THE ACTUAL COSTS OF FORMING THE DISTRICT SHALL BE USED BY THE
6 MUNICIPALITY OR COUNTY SOLELY TO SUPPORT THE FORMATION OR ADMINISTRATION
7 OF THE DISTRICT, INCLUDING THE ISSUANCE AND SALE OF BONDS.

8 Sec. 5. Section 48-711, Arizona Revised Statutes, is amended to
9 read:

10 48-711. Records; board of directors; open meetings

11 A. The district shall keep the following records ~~which~~ THAT shall
12 be open to public inspection:

- 13 1. Minutes of all meetings of the district board.
- 14 2. All resolutions.
- 15 3. Accounts showing all monies received and disbursed.
- 16 4. The annual budget.
- 17 5. All other records required to be maintained by law.

18 B. If the resolution ordering formation of the district provides
19 that the district will be governed by a district board appointed by the
20 governing body, each appointed director shall serve for a term of six
21 years, except that two directors initially appointed by the governing body
22 in the resolution shall serve for a term of four years. The resolution
23 shall state which directors shall serve four year terms and which shall
24 serve six year terms. On the expiration of the term of an appointed
25 director, the governing body shall appoint a person to fill the position
26 if a vacancy occurs on the district board because of death, resignation or
27 inability of the director to discharge the duties of director, the vacancy
28 shall be filled by appointment made by the governing body. A director
29 appointed by the governing body shall hold office for the remainder of the
30 unexpired term until ~~his~~ THAT DIRECTOR'S successor is appointed. An
31 appointed director shall not be a landowner owning more than forty acres
32 in the district, an elected official of the municipality or county or an
33 employee or agent of the landowner or municipality or county but may be a
34 director of more than one district.

35 C. The members of the governing body of the municipality or county
36 are not eligible to receive compensation for their services as members of
37 the district board.

38 ~~C.~~ D. The board of directors shall comply with title 38, chapter
39 3, article 3.1 as a separate political subdivision, AND THE MEMBERS OF THE
40 BOARD OF DIRECTORS ARE DEEMED PUBLIC OFFICERS FOR THE PURPOSES OF AND
41 SHALL COMPLY WITH TITLE 38, CHAPTER 3, ARTICLE 8.

42 ~~D.~~ E. The district MANAGER, clerk and ~~district~~ treasurer shall be
43 the MANAGER, clerk ~~of the municipality or county~~ and the treasurer of the
44 municipality or county, respectively, unless the district board appoints a
45 district MANAGER, clerk and ~~district~~ treasurer.

1 Sec. 6. Section 48-715, Arizona Revised Statutes, is amended to
2 read:

3 48-715. Project approval

4 Before constructing or acquiring any public infrastructure, the
5 district board shall cause a study of the feasibility and benefits of the
6 project ~~to~~ THAT SHALL be prepared by engineers and other qualified
7 persons; ~~which~~ AND THAT shall include a description of the public
8 infrastructure to be constructed or acquired and all other information
9 useful to understand the project, a map showing, in general, the location
10 of the project, an estimate of the cost to construct, acquire, operate and
11 maintain the project, an estimated schedule for completion of the project,
12 a map or description of the area to be benefited by the project; ~~and~~ a
13 plan for financing the project. WITHIN SIXTY DAYS AFTER RECEIVING THE
14 REPORT, the board shall hold a public hearing on the report and provide
15 notice of the hearing by publication not less than ten days in advance in
16 the official newspaper of the municipality or county or, if none in the
17 municipality, a newspaper of general circulation in the county and by mail
18 to the governing body of the municipality. WITHIN SIXTY DAYS after the
19 hearing, the district board may reject, amend or approve the report. If
20 the report is amended substantially a new hearing shall be held WITHIN
21 SIXTY DAYS AFTER THE DATE THE AMENDED REPORT IS RECEIVED AND before
22 approval. If the report is approved, the district board shall adopt a
23 resolution ~~of intent which~~ THAT identifies the public infrastructure of
24 the project, the areas benefited, the expected method of financing,
25 INCLUDING THE NATURE AND TIMING OF THE ISSUANCE OF BONDS, IF ANY, and an
26 appropriate system of providing revenues to operate and maintain the
27 project. THE DISTRICT BOARD SHALL EXECUTE THE PROVISIONS OF THE REPORT
28 WITHIN THE TIME FRAMES IDENTIFIED IN THE APPROVED REPORT.

29 Sec. 7. Title 48, chapter 4, article 6, Arizona Revised Statutes,
30 is amended by adding sections 48-726, 48-727 and 48-728, to read:

31 48-726. Jurisdictional limitation; organizational documents

32 THE GOVERNING BODY OF THE JURISDICTION IN WHICH THE DISTRICT IS TO
33 BE LOCATED MAY NOT REQUIRE THE PETITIONER TO INCREASE THE INFRASTRUCTURE
34 ELEMENTS, DEBT LIMIT OR DURATION OF THE DISTRICT BEYOND THE LEVELS AND
35 LIMITS SET OUT IN THE PETITION AND THE ASSOCIATED DOCUMENTS THAT ARE
36 SUBMITTED FOR THE FORMATION OF THE DISTRICT.

37 48-727. District website; district records database

38 A. THE DISTRICT BOARD SHALL ESTABLISH AND MAINTAIN AN OFFICIAL
39 WEBSITE THAT IS ELECTRONICALLY SEARCHABLE BY THE PUBLIC AND THAT CONTAINS
40 A COMPREHENSIVE DATABASE OF DISTRICT CONTRACTS, PUBLIC NOTICES, MEETING
41 MINUTES, RESOLUTIONS AND ACCOUNTS SHOWING ALL MONIES RECEIVED AND
42 DISBURSED, THE ANNUAL BUDGET AND OTHER RECORDS REQUIRED TO BE MAINTAINED
43 BY LAW.

1 B. THE DATABASE MAY NOT INCLUDE:

2 1. TAX PAYMENT OR REFUND DATA THAT INCLUDES CONFIDENTIAL TAXPAYER
3 INFORMATION.

4 2. WORK PRODUCT IN ANTICIPATION OF LITIGATION OR OTHER INFORMATION
5 THAT IS SUBJECT TO ATTORNEY-CLIENT PRIVILEGE.

6 3. ANY OTHER INFORMATION THAT IS DESIGNATED BY LAW AS CONFIDENTIAL.

7 C. THE DISTRICT BOARD SHALL PROVIDE A LINK TO THE DATABASE ON THE
8 DISTRICT'S MAIN WEBSITE MAINTAINED BY THE DISTRICT BOARD AND SHALL PROVIDE
9 A LINK TO THAT DATABASE TO THE DEPARTMENT OF ADMINISTRATION.

10 48-728. Public infrastructure acceptance; bond

11 A. ON COMPLETION OF A DISCRETE SEGMENT OF PUBLIC INFRASTRUCTURE,
12 THE INDIVIDUAL OR ENTITY CONSTRUCTING THE DISCRETE SEGMENT OF PUBLIC
13 INFRASTRUCTURE MAY SUBMIT A LETTER OF COMPLETION TO THE GOVERNING BODY.
14 WITHIN THIRTY DAYS AFTER RECEIVING A LETTER OF COMPLETION, THE GOVERNING
15 BODY, OR THE GOVERNING BODY'S DESIGNEE, SHALL CONDUCT AN INSPECTION OF THE
16 DISCRETE SEGMENT OF PUBLIC INFRASTRUCTURE AND PROVIDE THE INDIVIDUAL OR
17 ENTITY WITH A WRITTEN LIST OF DEFICIENCIES NOT LATER THAN THIRTY DAYS
18 AFTER INITIATING THE INSPECTION.

19 B. WITHIN THIRTY DAYS AFTER SUBMITTAL OF AN ENGINEER'S
20 CERTIFICATION THAT A DISCRETE SEGMENT OF PUBLIC INFRASTRUCTURE HAS BEEN
21 CONSTRUCTED ACCORDING TO THE PLANS AND SPECIFICATIONS REQUIRED BY THE
22 GOVERNING BODY AND THAT THE DEFICIENCIES IDENTIFIED BY THE GOVERNING BODY
23 OR THE GOVERNING BODY'S DESIGNEE HAVE BEEN REMEDIED, THE GOVERNING BODY
24 SHALL ADOPT AND ACCEPT THE DISCRETE SEGMENT OF PUBLIC INFRASTRUCTURE FOR
25 OWNERSHIP, OPERATION AND MAINTENANCE.

26 C. ACCEPTANCE OF A DISCRETE SECTION OF PUBLIC INFRASTRUCTURE
27 PURSUANT TO THIS SECTION DOES NOT MODIFY THE ASSURANCES AND WARRANTY
28 REQUIREMENTS OF A GOVERNING BODY PRESCRIBED BY A MUNICIPAL OR COUNTY CODE
29 OR ORDINANCE OR AS OUTLINED IN A DEVELOPMENT AGREEMENT ENTERED INTO
30 PURSUANT TO SECTION 9-500.05 OR 11-1101.

APPROVED BY THE GOVERNOR APRIL 26, 2017.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 26, 2017.

Passed the House April 19, 20 17,

Passed the Senate March 6, 20 17,

by the following vote: 44 Ayes,

by the following vote: 21 Ayes,

14 Nays, 1 Not Voting

9 Nays, 0 Not Voting

vacant

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

~~EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR~~

~~This Bill was received by the Governor this~~

~~_____ day of _____, 20____,~~

~~at _____ o'clock _____ M.~~

~~_____
Secretary to the Governor~~

~~Approved this _____ day of~~

~~_____, 20____,~~

~~at _____ o'clock _____ M.~~

~~_____
Governor of Arizona~~

S.B. 1480

~~EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE~~

~~This Bill was received by the Secretary of State~~

~~this _____ day of _____, 20____,~~

~~at _____ o'clock _____ M.~~

~~_____
Secretary of State~~

SENATE CONCURS IN HOUSE
AMENDMENTS AND FINAL PASSAGE

Passed the Senate April 20, 2017

by the following vote: 25 Ayes,

5 Nays, 0 Not Voting

Stan B. Fontana
President of the Senate

Susan Owens
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

20th day of April, 2017

at 12:14 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 26th day of

April 2017

at 1:31 o'clock P. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 26 day of April, 2017

at 4:44 o'clock P. M.

Michelle Reagan
Secretary of State